

**APPENDIX B:
HISTORICAL FINANCIAL STATEMENTS**

Mobile Cooks LLC

FINANCIAL STATEMENTS

and

INDEPENDENT ACCOUNTANTS'
REVIEW REPORT

**For the period beginning September 25, 2018 (date of inception) to
December 31, 2018**

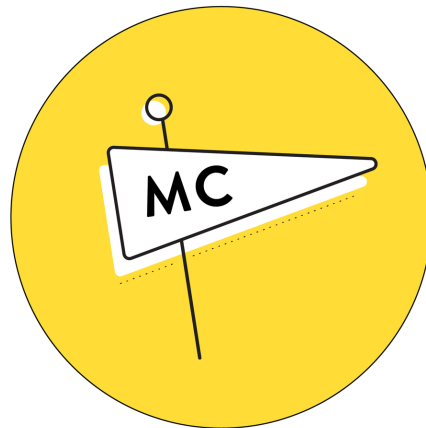


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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Mobile Cooks LLC
Brookline, MA 02445

We have reviewed the accompanying financial statements of **Mobile Cooks LLC** (a Massachusetts - limited liability Company), which comprise the balance sheets as of December 31, 2018, and the related statements of operations and changes in member's deficit and cash flows for the period beginning September 25, 2018 (date of inception) to December 31, 2018, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT - CONTINUED

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Rucci, Bardaro & Falzone, PC

Rucci, Bardaro & Falzone, PC
Certified Public Accountants
Woburn, Massachusetts

May 20, 2019



Mobile Cooks LLC

BALANCE SHEET

December 31,
(See Independent Accountants' Review Report)

ASSETS

	<u>2018</u>
EQUIPMENT	
Equipment	\$ 2,544
Less: Accumulated depreciation	(66)
Total equipment, net	<u>2,478</u>
OTHER ASSETS	
Security deposit	<u>500</u>
TOTAL ASSETS	<u><u>\$ 2,978</u></u>

LIABILITIES AND MEMBER'S DEFICIT

CURRENT LIABILITIES	
Sales tax payable	\$ 145
Due to related party	9,049
Total current liabilities	<u>9,194</u>
TOTAL LIABILITIES	<u>9,194</u>
MEMBER'S DEFICIT	<u>(6,216)</u>
TOTAL LIABILITIES and MEMBERS' DEFICIT	<u><u>\$ 2,978</u></u>



See accompanying notes to the financial statements.

Mobile Cooks LLC

STATEMENT OF OPERATIONS AND MEMBER'S DEFICIT

For the period beginning September 25, 2018 (date of inception) to December 31, 2018

(See Independent Accountants' Review Report)

NET SALES	<u>\$ 2,949</u>
COST OF GOODS SOLD	
Kitchen and storage rental	1,420
Food	902
Salaries	575
Packaging	302
Other expenses	70
Depreciation	<u>66</u>
Total cost of goods sold	<u>3,335</u>
Gross loss	<u>(386)</u>
OPERATING EXPENSES	
Start up costs	3,562
Licenses and permits	1,320
Kitchen supplies	480
Insurance	336
Advertising	67
Office supplies	<u>65</u>
Total operating expenses	<u>5,830</u>
NET LOSS	<u>(6,216)</u>
Member's equity - beginning of period	-
Member's deficit - end of period	<u><u>\$ (6,216)</u></u>



See accompanying notes to the financial statements.

Mobile Cooks LLC

STATEMENT OF CASH FLOWS

For the period beginning September 25, 2018 (date of inception) to December 31, 2018
(See Independent Accountants' Review Report)

CASH FLOW FROM OPERATING ACTIVITIES:

Net loss	\$	(6,216)
Adjustments to reconcile net loss to net cash used by operations:		
Depreciation		66
Changes in operating assets and liabilities:		
Security deposit		(500)
Sales tax payable		145

NET CASH USED IN OPERATING ACTIVITIES (6,505)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of property and equipment	<u>(2,544)</u>
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NET CASH USED IN INVESTING ACTIVITIES (2,544)

CASH FLOWS FROM FINANCING ACTIVITIES:

Member advance	9,049
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NET CASH PROVIDED BY FINANCING ACTIVITIES 9,049

NET CHANGE IN CASH -

CASH, beginning of period -

CASH, end of period \$ -

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid (received) during the period for:

Interest expense	<u>\$ -</u>
Income taxes	<u><u>\$ -</u></u>



See accompanying notes to the financial statements.

Mobile Cooks LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

(See Independent Accountants' Review Report)

NOTE A - NATURE OF OPERATIONS

Mobile Cooks LLC (the "Company") a Massachusetts Limited Liability Company, was incorporated on September 25, 2018 and is engaged in providing unique dishes from individual cooks through vegan catering and pop-up locations.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Presentation**

The financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America.

2. **Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. **Equipment**

Equipment is stated at cost, less accumulated depreciation. All significant assets with an estimated useful life in excess of one year are capitalized. Maintenance and repairs are charged to operations when incurred; betterments and renewals are capitalized. Depreciation is recorded on a straight-line basis over the estimated useful lives of assets ranging from 5 to 15 years.

Depreciation expense for the period ended December 31, 2018 was \$66.

4. **Revenue Recognition**

Sales are recorded upon delivery of food to intended customer.

5. **Advertising Costs**

Advertising costs are expensed as incurred.



Mobile Cooks LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2018

(See Independent Accountants' Review Report)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

6. Income Taxes

The Company is treated as a partnership for federal and state income tax purposes and does not incur income taxes. Instead, its earnings and losses are included in the personal returns of the members and taxed depending on their personal tax situations. The financial statements do not reflect a provision for income taxes.

The Company evaluates all significant tax positions as required by accounting principles generally accepted in the United States of America. As of December 31, 2018, the Company does not believe that it has taken any positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

The Company recognizes interest and penalties related to unrecognized tax benefits in operating expenses. There were no interest and penalties related to unrecognized tax benefits for 2018.

NOTE C - DUE TO RELATED PARTY

As of December 31, 2018, the Company received advances from its sole member amounting to \$9,049. No interest has been accrued for these advances as of December 31, 2018. The balance is expected to be paid back, in full, during 2019.

NOTE D - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 20, 2019, which is the date the financial statements were available to be issued. There are no recognized or non-recognized subsequent events that existed at the balance sheet date which are necessary to disclose to keep the financial statements from being misleading.



Mobile Cooks LLC

Particulars	Jan 2019	Feb 2019	Mar 2019	Total	
	Current	Current	Current	Current	% of Income
Income					
Sales, Pop Up	1,467.35	4,703.50	2,965.27	9,136.12	67.49%
Sales Catering	1,050.00	750.00	-	1,800.00	13.30%
Kitchen Prep Time	530.00	275.00	867.50	1,672.50	12.36%
Tips In/Out	171.33	532.64	279.35	983.32	7.26%
Discounts and Comps	-	(20.75)	(35.00)	(55.75)	-0.41%
Total Income	3,218.68	6,240.39	4,077.12	13,536.19	100.00%
Cost of Goods Sold					
COGS, Food	583.09	1,817.46	578.96	2,979.51	22.01%
COGS, Packaging	-	88.95	2.86	91.81	0.68%
Total Cost of Goods Sold	583.09	1,906.41	581.82	3,071.32	22.69%
Gross Profit	2,635.59	4,333.98	3,495.30	10,464.87	77.31%
Expenses					
Payroll Expense				-	0.00%
Kitchen Prep Time.	400.00	680.00	400.00	1,480.00	10.93%
Direct Labor	346.21	3,237.89	1,624.04	5,208.14	38.48%
Total Payroll Expense	746.21	3,917.89	2,024.04	6,688.14	49.41%
Transaction Related Expenses				-	0.00%
Credit Card Processing Fees	104.20	205.84	120.04	430.08	3.18%
Total Transaction Related Expenses	104.20	205.84	120.04	430.08	3.18%
Marketing & Advertising				-	0.00%
Marketing & Public Relations	161.89	30.85	10.00	202.74	1.50%
Total Marketing & Advertising	161.89	30.85	10.00	202.74	1.50%
General & Administrative Expenses				-	0.00%
Dues and Subscriptions	-	41.49	41.49	82.98	0.61%
License & Permits	-	-	129.00	129.00	0.95%
Office Supplies & Expenses	16.99	36.25	24.99	78.23	0.58%
Tips Expense	171.33	532.64	279.35	983.32	7.26%
Liability Insurance	161.73	161.73	161.73	485.19	3.58%
Penalties and Settlements	140.00	-	-	140.00	1.03%
Table Fees	-	150.00	160.00	310.00	2.29%
Total General & Administrative Expense	490.05	922.11	796.56	2,208.72	16.32%
Travel, Meals, & Entertainment				-	0.00%
Parking	-	140.00	196.00	336.00	2.48%
Total Travel, Meals, & Entertainment	-	140.00	196.00	336.00	2.48%
Property Expenses				-	0.00%
Rent/Lease	120.00	-	-	120.00	0.89%
Storage	130.00	130.00	135.00	395.00	2.92%
Total Property Expenses	250.00	130.00	135.00	515.00	3.80%
Total Expenses	1,752.35	5,346.69	3,281.64	10,380.68	76.69%
Net Operating Income	883.24	(1,012.71)	213.66	84.19	0.62%
Net Income	883.24	(1,012.71)	213.66	84.19	0.62%

Q1-2019 financials provided by management. Financials contained herein have not been reviewed or audited by an independent CPA.